

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
SCANA Corp.				
October 2003	35.70	33.77	1.38	3.97%
November 2003	34.77	32.80	1.38	4.08%
December 2003	34.68	32.87	1.38	4.09%
January 2004	35.58	33.71	1.38	3.98%
February 2004	35.78	33.41	1.46	4.22%
March 2004	36.29	34.81	1.46	4.11%
April 2004	36.20	32.87	1.46	4.23%
May 2004	35.65	32.82	1.46	4.26%
June 2004	36.89	35.32	1.46	4.04%
July 2004	37.14	35.66	1.46	4.01%
August 2004	37.94	36.35	1.46	3.93%
Sept.-Oct. 2004	37.73	36.93	1.46	3.91%
Overall Average Dividend Yield				
				4.07% Do

<u>Dividend Growth Rate Derivation</u>		
<u>Projected Growth Rates</u>		
Earnings Per Share (EPS)		
Value Line	5.50%	
Yahoo Fin.-Thomson Fin.	4.50%	
Schwab	4.40%	
Average	4.80%	g
Forward Dividend Yield	4.27%	$D1=Do*(1+g)$
DCF Cost of Common Equity Estimate		
	9.07%	$K=D1+g$

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
Energy East Corp.				
October 2003	23.71	22.16	1.00	4.36%
November 2003	23.13	21.64	1.00	4.47%
December 2003	23.20	22.00	1.00	4.42%
January 2004	23.75	22.29	1.04	4.52%
February 2004	24.25	22.65	1.04	4.43%
March 2004	25.49	24.06	1.04	4.20%
April 2004	26.05	23.45	1.04	4.20%
May 2004	23.87	21.85	1.04	4.55%
June 2004	24.76	23.23	1.04	4.33%
July 2004	24.77	23.48	1.04	4.31%
August 2004	24.71	23.75	1.04	4.29%
Sept.-Oct. 2004	25.16	24.63	1.05	4.23%
Overall Average Dividend Yield				
				4.36% Do

<u>Dividend Growth Rate Derivation</u>		
<u>Projected Growth Rates</u>		
Earnings Per Share (EPS)		
Value Line	3.50%	
Yahoo Fin.-Thomson Fin.	4.00%	
Schwab	4.40%	
Average	3.97%	g
Forward Dividend Yield	4.53%	$D1=Do*(1+g)$
DCF Cost of Common Equity Estimate		
	8.50%	$K=D1+g$

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
NSTAR				
October 2003	47.99	45.08	2.16	4.64%
November 2003	48.59	46.36	2.16	4.55%
December 2003	48.96	47.00	2.22	4.63%
January 2004	49.98	48.00	2.22	4.53%
February 2004	51.20	48.34	2.22	4.46%
March 2004	52.85	49.90	2.22	4.32%
April 2004	51.30	47.28	2.22	4.50%
May 2004	48.98	45.30	2.22	4.71%
June 2004	48.60	46.60	2.22	4.66%
July 2004	47.97	46.01	2.22	4.72%
August 2004	48.88	46.58	2.22	4.65%
Sept.-Oct. 2004	49.84	48.73	2.22	4.50%
Overall Average				
Dividend Yield			4.57%	Do

Dividend Growth Rate Derivation

Projected Growth Rates

Earnings Per Share (EPS)

Value Line	3.00%
Yahoo Fin.-Thomson Fin.	5.00%
Schwab	4.30%
Average	4.10%

g

Forward Dividend Yield 4.76% $D1=Do*(1+g)$

DCF Cost of Common

Equity Estimate 8.86% $K=D1+g$

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
Pinnacle West Capital Corp.				
October 2003	36.85	34.91	1.80	5.02%
November 2003	39.83	36.21	1.80	4.73%
December 2003	40.48	38.59	1.80	4.55%
January 2004	40.81	38.07	1.80	4.56%
February 2004	39.28	36.90	1.80	4.73%
March 2004	39.75	38.02	1.80	4.63%
April 2004	40.22	37.50	1.80	4.63%
May 2004	40.45	36.30	1.80	4.69%
June 2004	41.50	39.46	1.80	4.45%
July 2004	41.19	39.63	1.80	4.45%
August 2004	42.99	40.33	1.80	4.32%
Sept.-Oct. 2004	42.264	41.52	1.80	4.30%
Overall Average				
Dividend Yield			4.59%	Do

Dividend Growth Rate Derivation

Projected Growth Rates

Earnings Per Share (EPS)

Value Line	4.00%
Yahoo Fin.-Thomson Fin.	4.50%
Schwab	5.20%
Average	4.57%

g

Forward Dividend Yield 4.80% $D1=Do*(1+g)$

DCF Cost of Common

Equity Estimate 9.36% $K=D1+g$

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
Vectren Corp.				
October 2003	26.50	26.00	1.81	6.91%
November 2003	24.15	22.97	1.14	4.84%
December 2003	24.85	23.76	1.14	4.69%
January 2004	25.05	24.28	1.14	4.62%
February 2004	25.05	24.11	1.14	4.64%
March 2004	25.87	24.25	1.14	4.55%
April 2004	25.54	23.87	1.14	4.61%
May 2004	24.76	22.86	1.14	4.79%
June 2004	25.09	23.34	1.14	4.71%
July 2004	25.75	24.45	1.14	4.54%
August 2004	26.45	25.75	1.14	4.37%
Sept.-Oct. 2004	25.16	24.75	1.14	4.57%
Overall Average				
Dividend Yield				4.82% Do

<u>Dividend Growth Rate Derivation</u>		
<u>Projected Growth Rates</u>		
Earnings Per Share (EPS)		
Value Line	5.00%	
Yahoo Fin.-Thomson Fin.	7.00%	
Schwab	7.00%	
Average	6.33%	g
Forward Dividend Yield	5.12%	D1=Do*(1+g)
DCF Cost of Common		
Equity Estimate	11.46%	K=D1+g

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
Wisconsin Energy				
October 2003	33.15	30.63	0.80	2.51%
November 2003	33.18	31.31	0.80	2.48%
December 2003	33.68	31.60	0.80	2.45%
January 2004	33.84	32.85	0.80	2.40%
February 2004	34.30	31.78	0.84	2.54%
March 2004	33.35	31.57	0.84	2.59%
April 2004	32.83	30.19	0.84	2.67%
May 2004	32.30	29.50	0.84	2.72%
June 2004	33.00	30.90	0.84	2.63%
July 2004	32.72	31.12	0.84	2.63%
August 2004	32.82	31.53	0.84	2.61%
Sept.-Oct. 2004	32.30	31.69	0.84	2.63%
Overall Average				
Dividend Yield				2.57% Do

<u>Dividend Growth Rate Derivation</u>		
<u>Projected Growth Rates</u>		
Earnings Per Share (EPS)		
Value Line	6.00%	
Yahoo Fin.-Thomson Fin.	6.00%	
Schwab	6.10%	
Average	6.03%	g
Forward Dividend Yield	2.73%	D1=Do*(1+g)
DCF Cost of Common		
Equity Estimate	8.76%	K=D1+g

<u>Company & Stock</u>	<u>High</u>	<u>Low</u>	<u>Dividend Rate</u>	<u>Avg. Divid. Yield</u>
WPS Resources				
October 2003	44.52	40.94	2.18	5.10%
November 2003	45.31	43.19	2.18	4.93%
December 2003	46.80	43.87	2.18	4.81%
January 2004	48.12	44.99	2.18	4.68%
February 2004	48.93	46.99	2.18	4.55%
March 2004	48.93	46.49	2.18	4.57%
April 2004	48.70	45.40	2.18	4.63%
May 2004	46.20	43.50	2.18	4.86%
June 2004	46.77	45.00	2.18	4.75%
July 2004	48.81	45.22	2.22	4.72%
August 2004	47.74	45.39	2.22	4.77%
Sept.-Oct. 2004	46.83	45.74	2.22	4.80%
Overall Average Dividend Yield				
				4.76% Do

Dividend Growth Rate Derivation
Projected Growth Rates

Earnings Per Share (EPS)

Value Line	3.50%
Yahoo Fin.-Thomson Fin.	5.00%
Schwab	4.30%
Average	4.27%

g

Forward Dividend Yield 4.97% $D1=Do*(1+g)$

DCF Cost of Common

Equity Estimate 9.23% $K=D1+g$

DCF COST OF COMMON EQUITY DERIVATION
APPENDIX A
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SUMMARY OF DCF COST OF COMMON EQUITY ESTIMATE RESULTS

SCANA Corp.	9.07%
Energy East Corp.	8.50%
NSTAR	8.86%
Pinnacle West Capital Corp.	9.36%
Vectren Corp.	11.46%
Wisconsin Energy	8.76%
WPS Resources	9.23%

Average Proxy Group 9.36%

Average w. SCANA 9.21%

**Recommended DCF Cost of Common Equity Estimate
for South Carolina Electric & Gas Company**

9.21%

Data Sources:

Standard & Poor's Corp., *Stock Guide*, monthly issues November 2003-September 2004.

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Value Line, *Value Line Investment Survey*, various issues.

Yahoo Finance - Thomson Financial Network (via Internet web access), various issues.

Charles Schwab, *Schwab Earnings Report* (Reuters Research, Standard & Poor's, and Morgan Stanley Capital International, Inc. - Internet web access), various issues.